



Michigan Economic Update

September 18, 2015

Summary

Nonfarm payroll employment in Michigan increased by 2,600 jobs and the unemployment rate fell to 5.1 percent in August according to data released by the Bureau of Labor Statistics (BLS).

Michigan Unemployment Rate

During August, the unemployment rate in Michigan declined by 0.2 percentage point to 5.1 percent. The number of people counted as unemployed fell by 7,154 in August to 241,960, while the labor force grew by 813 to 4,728,697. Among the 50 states and the District of Columbia, 23 posted lower unemployment rates for the month than Michigan. A year earlier, the unemployment rate in Michigan stood at 6.8 percent.

The 10 year peak for the unemployment rate in Michigan was 14.9 percent in June 2009. The series high for the unemployment rate in Michigan occurred in December 1982 when the unemployment rate reached 16.5 percent. The 10 year low for the unemployment rate in Michigan was 5.1 percent in August 2015. The series low for the unemployment rate in Michigan occurred in March 2000 when the unemployment rate reached 3.2 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.2 percentage point to 5.1 percent in August. August's unemployment rate was 1.0 percentage point lower than a year earlier. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.



Michigan Payroll Employment

Michigan nonfarm payrolls increased by 2,600 jobs, or 0.06 percent, on a seasonally adjusted basis during August. In the prior month, nonfarm payrolls increased by 6,900. Over the past 12 months nonfarm payrolls in Michigan increased by 91,300, or 2.18 percent. Michigan nonfarm payroll employment has increased in 10 of the past 12 months.

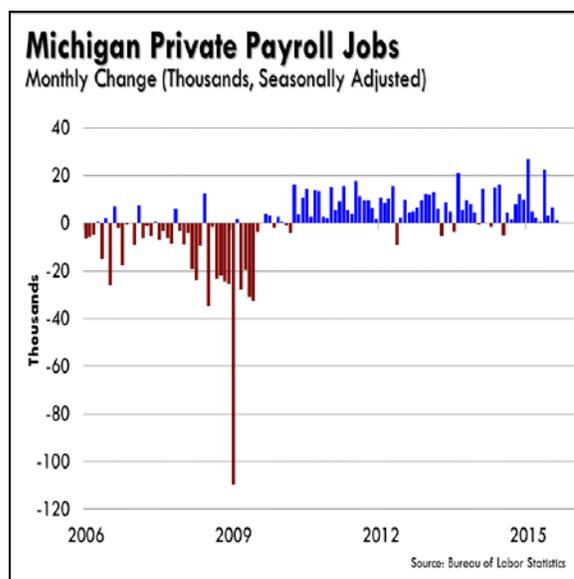
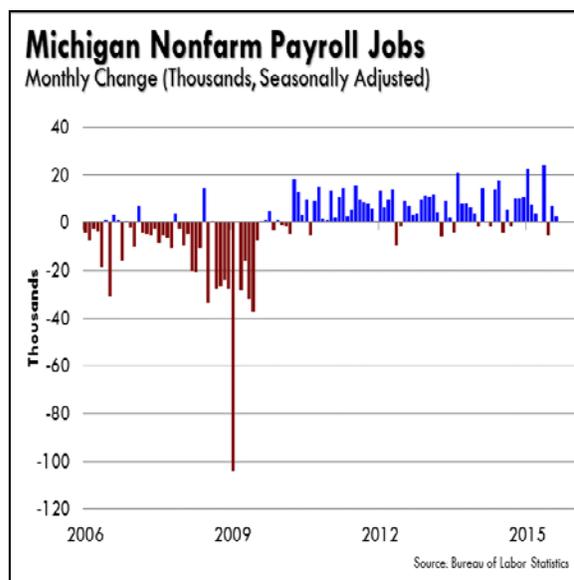
Nationally nonfarm payrolls increased by 173,000 jobs in August, or 0.12 percent. Over the 12 month period ending in August 2015 nonfarm payrolls grew by 2,919,000 jobs, or 2.09 percent. Michigan ranks 13rd among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During August, Michigan private sector payrolls increased by 1,100, or 0.03 percent. Private sector payrolls increased by 6,600 jobs in the prior month. Over the past 12 months, private sector payrolls in Michigan increased by 99,200, or 2.76 percent. Michigan private sector payroll employment has increased in each of the past 12 months.

Nationally private-sector payroll jobs increased by 140,000 jobs in August, or 0.12 percent. Over the past 12 months, the nation's economy has added 2,789,000 jobs in the private sector, an increase of 2.37 percent.

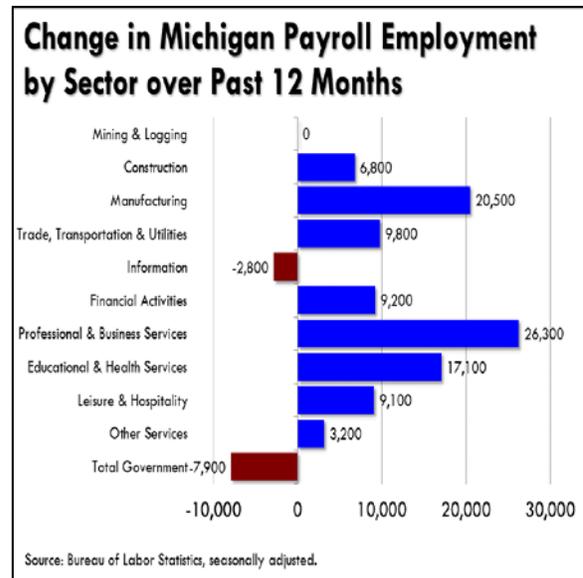
Michigan ranks 11st among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During August, total government payroll employment in Michigan increased by 1,500, or 0.25 percent. Federal government payroll employment increased by 200, or 0.39 percent. State government payroll employment increased by 1,100, or 0.61 percent, while local government payroll employment increased by 200, or 0.06 percent.



Over the past year, total government payroll employment declined by 7,900, or 1.32 percent. State government payroll employment increased by 1,300, or 0.72 percent. Local government payroll employment declined by 10,000, or 2.73 percent.

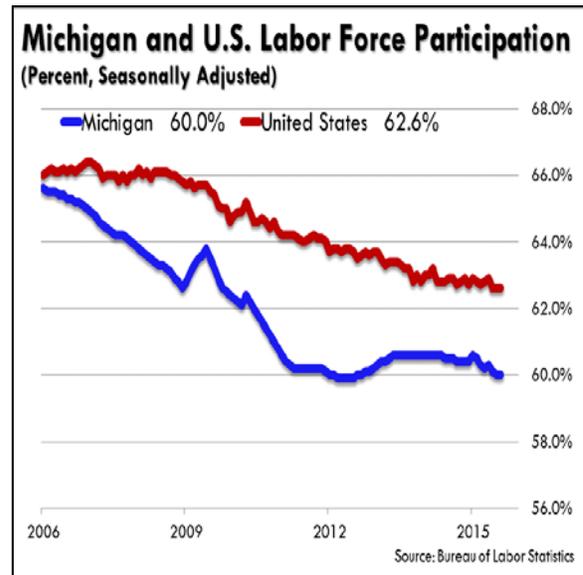
The best performing sectors on a seasonally adjusted basis during August were Trade, Transportation & Utilities (+4,600) and Financial Activities (+2,300). The poorest performing sectors during the month were Construction (-4,700) and Educational & Health Services (-2,400).



The best performing sectors during the last twelve months were Professional & Business Services (+26,300) and Manufacturing (+20,500). The poorest performing sectors for the year were Total Government (-7,900) and Information (-2,800).

Other Michigan Labor Force Statistics

The labor force participation rate in Michigan was unchanged at 60.0 percent in August. Among the 50 states and the District of Columbia, 40 have a higher labor force participation rate than Michigan. The labor force participation rate in Michigan is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.



The 10 year high for the labor force participation rate in Michigan was 65.8 percent in September 2005. The series high for the labor force participation rate in Michigan occurred in March 2000 when the labor force participation rate hit 69.0 percent. The 10 year low for the labor force participation rate was 59.9 percent in July 2012. This also represents the series low for the labor force participation rate in Michigan.

The national labor force participation rate was unchanged at 62.6 percent in August. That rate was 0.3 percentage point lower than a year earlier. At 62.6 percent, the labor force participation rate is at its lowest level since October 1977.

The employment-to-population ratio, or the percentage of the Michigan civilian noninstitutionalized population 16 years and older counted as employed, rose to 56.9 percent in August from 56.8 percent the prior month. Among the 50 states and the District of Columbia, 39 have higher employment-to-population ratios than Michigan. The employment-to-population ratio in Michigan is 0.6 percentage point higher than a year earlier.

The 10 year high for the employment-to-population ratio in Michigan was 61.4 percent in September 2005. The series high for the employment-to-population ratio in Michigan occurred in March 2000 when the

employment-to-population ratio hit 66.8 percent. The 10 year low for the employment-to-population ratio was 53.7 percent in December 2009. The series low for the employment-to-population ratio occurred in January 1983 when the employment-to-population ratio hit 53.2 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.4 percent in August. That rate was 0.4 percentage point higher than a year earlier. The employment-to-population ratio stood at 59.4 percent when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10 year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for September is scheduled for release on Tuesday, October 20. The national employment situation report for September will be released on Friday, October 2.

